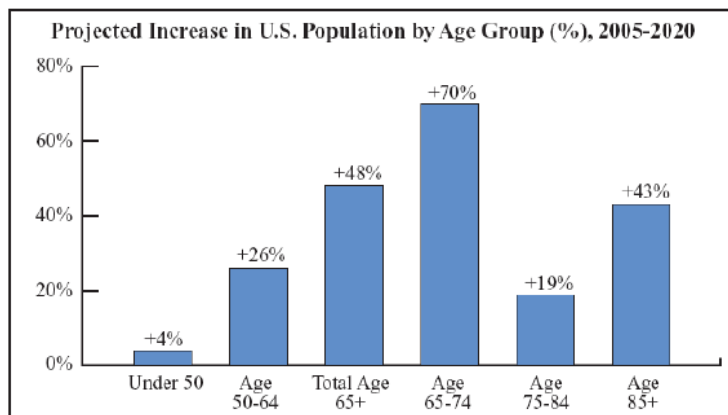


LONG-TERM CARE RETIREMENT AND SECURITY ACT OF 2009

THE PROBLEM

People often times have not adequately provided for the care they will need as they enter old age. This is becoming a larger societal challenge as the Baby Boom generation reaches retirement age and as American life expectancy continues to increase. It can be a burden on the elderly and on their family and friends who are called upon for help.

Whether we're talking about caregivers in Central Florida, the rest of the State or across the nation, a growing number of Americans are struggling with devastating burdens. As the population ages, more families are forced to make a decision regarding the future of a loved one who needs assistance with everyday living. These decisions are limited and costly and many find themselves struggling between the high price of institutionalized or informal family care.



Data Source: U.S. Census Bureau Estimates (2005) and Projections (2020)

Why Long-Term Care is Important

- American life expectancy has increased by 10 years since 1950 to 77 years, according to The Centers for Disease Control.
- The average 65-year-old American is projected to live nearly another 19 years.
- According to the National Long-Term Care Study (NLTCS), 60% of those over the age of 65 live alone.
- Two-thirds of older people with disabilities rely solely on "informal" help, 75% of which is unpaid care from friends and family.
- Nearly 14 percent of the adults in the State of Florida are caregivers.
- The average cost of private nursing home care is approximately \$75,000 per year.

THE SOLUTION

We need to develop policies that encourage people to prepare for the care they will require as they age, and ease the financial burden on long-term care providers. Toward this goal, I introduced the Long-term Care Retirement and Security Act, HR 897. This legislation would:



- Permit tax deductions for the cost of long-term care insurance policies. This will provide an appropriate incentive for people to take personal responsibility for their long-term care by purchasing these policies.
- Permit long-term care deductions to be made under flexible spending arrangements (FSAs) and cafeteria plans. This measure will encourage people to enroll in FSAs.
- Establish a reasonable tax credit for caregivers of those with long-term care needs to assist with expenses.
- Establish consumer protections based on the National Association of Insurance Commissioners recommendations for qualified long-term care policies.

BILL STATUS: HR 897 was introduced in the U.S. House of Representatives on February 4, 2009, and was referred to the House Committee on Ways and Means.